

LAWYERS, GAMES AND MONEY

General Computer Goes to Court

Steve Golson
California Extreme
July 27, 2024

LAWYERS, GAMES AND MONEY

The obligatory outline slide

A brief history of General Computer Corp. (GCC) 1981–1984

Getting started

Atari

Midway

Warner

Namco I, Namco II, Namco III

Afterword

Q&A

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Q&A

MIT 1978

DOUG MACRAE

KEVIN CURRAN



PINBALL AND VIDEO GAMES AT MIT DORMS

Pioneer

Star Castle

Playboy

Rip Off

Paragon

Battlezone

Fire One

Missile Command

...and more

MARCH 1981

GENERAL COMPUTER CORP.

SUPER MISSILE ATTACK

enhancement kit
for Atari Missile Command

developed March–May 1981

first sale May 1981

units sold ~1,000

profit ~\$250,000

explosive profits

MISSILE SUPER ATTACK

It's here! The game enhancement you've been waiting for - SUPER MISSILE ATTACK™. Designed by General Computer for your Atari MISSILE COMMAND™ Cabinet, it breathes new life into a proven winner.

The simple insertion of a plug-in circuit gives new dimensions to your MISSILE COMMAND™ Game. Increase excitement, difficulty, and your revenues.

SUPER MISSILE ATTACK™ is a software enhancement. All the characteristics that made MISSILE COMMAND™ a champion have been retained or improved. SUPER MISSILE ATTACK™ is a cashbox winner in test locations. Set the operator selectable difficulty levels and make it a winner in yours.

A General Computer Software Enhancement is your best equipment investment today. For about 10% of the price of a new game you can get your original investment in your MISSILE COMMAND™ working hard for you today.

Call **800-343-9500**
for immediate delivery or further details.

In Mass. call collect **617-232-9220**

HERE'S HOW TO ORDER:

Gentlemen: I am ordering my **SUPER MISSILE ATTACK™** Enhancement(s). Enclosed is check or money order for _____ Enhancement(s) at \$295.00 each.

name: _____

address: _____

city/state/zip: _____

Mail to: **GENERAL COMPUTER CORPORATION**
1726 Beacon Street
Boston, Mass. 02146

Immediate Shipment Available

General Computer Corp.

July:

Atari sues GCC for \$15M

October:

Atari drops lawsuit

October:

sign Atari development agreement



Customer plays Atari game.

New game plan lands 2 in \$10m court case

By Ronald Rosenberg
Globe Staff

When Atari's coin-operated video game Missile Command gets dull, arcade operators can breathe new life into it just by sliding in a printed circuit board.

Instead of scrapping the game and buying a different machine, which costs \$2500, General Computer Corp. of Wayland will retrofit it for \$295 with a board that contains the software for a new game that provides more play objects and a greater degree of difficulty to challenge customers anew.

But inexpensively tweaking Missile Command (there are more than 10,000 already installed) for greater play value does not sit well with the joint chiefs at Atari, a wholly owned subsidiary of Warner Communications Corp.

So they have fired off a \$10 million lawsuit against Kevin Curran and Douglas Macrae, who last month founded General Computer, claiming they have violated Atari's copyrights and trademarks.

The suit, filed yesterday in US District Court, Boston seeks to stop the small company from manufacturing and selling the single board. The Sunnyvale game firm also wants \$5 million each in punitive damages from Macrae and Curran along with all profits from the add-in board.

"They (the General Computer game enhancement) appear to our customers and to the public as Atari products, creating confusion and siphoning off legitimate returns from our investment in research and development," said Frank A. Ballouz, Atari's vice-president of marketing for the coin-operated video-game division in a prepared statement.

Curran claims the enhancement, the company's first product, has been originally engineered. It went on sale in early June.

"We have tried to avoid all legal difficulties," he said yesterday. "We have not copied or infringed on their software and we will respond to their suit."

Boston Globe, July 31, 1981

CRAZY OTTO

enhancement kit
for Midway Pac-Man

developed June–October 1981

October:
give demo to Midway

October:
sign Midway license agreement



NAME AND CHARACTER CHANGES

Crazy Otto



Super Pac-Man



Miss Pac-Man
Pac-Woman



Ms Pac-Man



CRAZY OTTO → MS PAC-MAN



1982 sales: ~114,000 arcade cabinets

Total revenue ~\$250M

Largest build of any US arcade game, ever

ARCADE GAMES DEVELOPED BY GCC

Ms. Pac-Man – Midway

Food Fight – Atari

Quantum – Atari

Jr. Pac-Man – Midway

Nightmare – Atari

HOME CONSOLE TITLES DEVELOPED BY GCC

Atari 2600, 5200 & 7800 Consoles, Atari 400/800 Computers

Asteroids	Dig Dug	Kangaroo	Qix
Atari Video Cube	Food Fight	Millipede	RealSports Tennis
Ballblazer	Galaga	Moon Patrol	Rescue on Fractalus
Battlezone	Galaxian	Ms. Pac-Man	Robotron 2084
Berzerk	Joust	Phoenix	Track & Field
Centipede	Jr. Pac-Man	Pole Position	Vanguard
Combat II	Jungle Hunt	Pole Position II	Xevious
Desert Falcon			

ATARI 7800 PROSYSTEM

Next generation home console introduced May 1984

GCC did all the development for this system

- Hardware design, including Maria custom graphics chip
- Fourteen game titles available at launch
- High score cartridge
- New hand controllers
- Home computer keyboard and software
- Authentication/security scheme

GENERAL COMPUTER 1981-1984

Products
designed by GCC
had total sales
of about
\$750M



LAWYERS, GAMES AND MONEY

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Midway

Warner

Namco I, Namco II, Namco III

Afterword

Q&A

1726 BEACON STREET BROOKLINE, MASS.

- Larry Dennison
- Doug Macrae
- Kevin Curran
- John "JT" Tylko
- Steve Golson



DUE DILIGENCE

Early March 1981

- Kevin visits MIT patent counsel
- Kevin calls speedup kit manufacturers
- Kevin calls Midway
- Kevin calls Atari legal

GENERAL COMPUTER CORPORATION

The Commonwealth of Massachusetts

OFFICE OF THE MASSACHUSETTS SECRETARY OF STATE

MICHAEL JOSEPH CONNOLLY, Secretary

ONE ASHBURTON PLACE, BOSTON, MASS. 02108

ARTICLES OF ORGANIZATION

(Under G.L. Ch. 156B)

Incorporators

NAME

POST OFFICE ADDRESS

Include given name in full in case of natural persons; in case of a corporation, give state of incorporation.

Richard A. Goren

60 State Street, Boston, Massachusetts

The above-named incorporator(s) do hereby associate (themselves) with the intention of forming a corporation under the provisions of General Laws, Chapter 156B and hereby state(s):

1. The name by which the corporation shall be known is:

GENERAL COMPUTER CORPORATION

2. The purpose for which the corporation is formed is as follows:

To develop, invent and commercially exploit new computer products and software applications.

To manufacture and assemble computers and newly developed hardware.

To enter into any partnership, limited or general, as limited or general partner, or both, and to enter into any other arrangement for sharing profits, union of interest, unitization or farmout agreement, reciprocal concession, or cooperation, with any corporation, association, partnership, syndicate, entity, person, or governmental, municipal or public authority, domestic or foreign, authorized to carry on, or any business or transaction deemed necessary, convenient, or incidental to carrying out any of the purposes of this Corporation.

To do any act and carry on any business permitted by the laws of Massachusetts to a corporation organized under Chapter 156B of the General Laws of the Commonwealth.

Examiner

Name approved

GENERAL
COMPUTER
CORPORATION
March 30, 1981

167917

RECEIVED THE COMMONWEALTH OF MASSACHUSETTS

MAR 27 1981

ARTICLES OF ORGANIZATION

SECRETARY OF STATE
CORPORATION DIVISION
GENERAL LAWS, CHAPTER 156B, SECTION 12

I hereby certify that, upon an examination of the within-written articles of organization, duly submitted to me, it appears that the provisions of the General Laws relative to the organization of corporations have been complied with, and I hereby approve said articles; and the filing fee in the amount of \$ 125 having been paid, said articles are deemed to have been filed with me this 30th day of March 19 81.

Effective date

Michael Joseph Connolly
MICHAEL JOSEPH CONNOLLY
Secretary of State

GENERAL COMPUTER CORPORATION

March 30, 1981

9. The following information shall not for any purpose be treated as a permanent part of the Articles of Organization of the corporation.

a. The post office address of the initial principal office of the corporation of Massachusetts is:

c/o. Curran, 1726 Beacon Street, Brookline, Massachusetts 02146

b. The name, residence, and post office address of each of the initial directors and following officers of the corporation are as follows:

NAME	RESIDENCE	POST OFFICE ADDRESS
President: Kevin Curran	1726 Beacon Street Brookline, MA 02146	1726 Beacon Street Brookline, MA 02146
V. President Douglas Macrae	1726 Beacon Street Brookline, MA 02146	1726 Beacon Street Brookline, MA 02146
Treasurer: Douglas Macrae	1726 Beacon Street Brookline, MA 02146	1726 Beacon Street Brookline, MA 02146
Clerk: Christian Rode	450 Memorial Drive Cambridge, MA 02139	450 Memorial Drive Cambridge, MA 02139
Directors: Kevin Curran	1726 Beacon Street Brookline, MA 02146	1726 Beacon Street Brookline, MA 02146
Douglas Macrae	1726 Beacon Street Brookline, MA 02146	1726 Beacon Street Brookline, MA 02146
Christian Rode	450 Memorial Drive Cambridge, MA 02139	450 Memorial Drive Cambridge, MA 02139

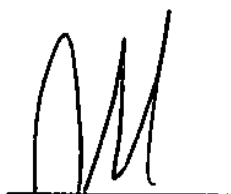
c. The date initially adopted on which the corporation's fiscal year ends is:


February 28

d. The date initially fixed in the by-laws for the annual meeting of stockholders of the corporation is:

Second Tuesday in April

VIDCOMP SYSTEMS, INC.


Examiner


Name
Approved

The Commonwealth of Massachusetts

OFFICE OF THE MASSACHUSETTS SECRETARY OF STATE

MICHAEL JOSEPH CONNOLLY, Secretary

ONE ASHBURTON PLACE, BOSTON, MASS. 02108

ARTICLES OF ORGANIZATION

(Under G.L. Ch. 156B)

Incorporators

NAME

POST OFFICE ADDRESS

Include given name in full in case of natural persons; in case of a corporation, give state of incorporation.

Richard A. Goren

60 State Street, Boston, Massachusetts

The above-named incorporator(s) do hereby associate (themselves) with the intention of forming a corporation under the provisions of General Laws, Chapter 156B and hereby state(s):

1. The name by which the corporation shall be known is:

VIDCOMP SYSTEMS, INC. ✓

2. The purpose for which the corporation is formed is as follows:

To enter into any partnership, limited or general, as limited or general partner, or both, and to enter into any other arrangement for sharing profits, union of interest, unitization or farmout agreement, reciprocal concession, or cooperation, with any corporation, association, partnership, syndicate, entity, person, or governmental, municipal, or public authority, domestic or foreign, authorized to carry on, or any business or transaction deemed necessary, convenient, or incidental to carrying out any of the purposes of this Corporation.

To do any act and carry on any business permitted by the laws of Massachusetts to a corporation organized under Chapter 156B of the General Laws of the Commonwealth.



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DB 7E00 1A0 11A

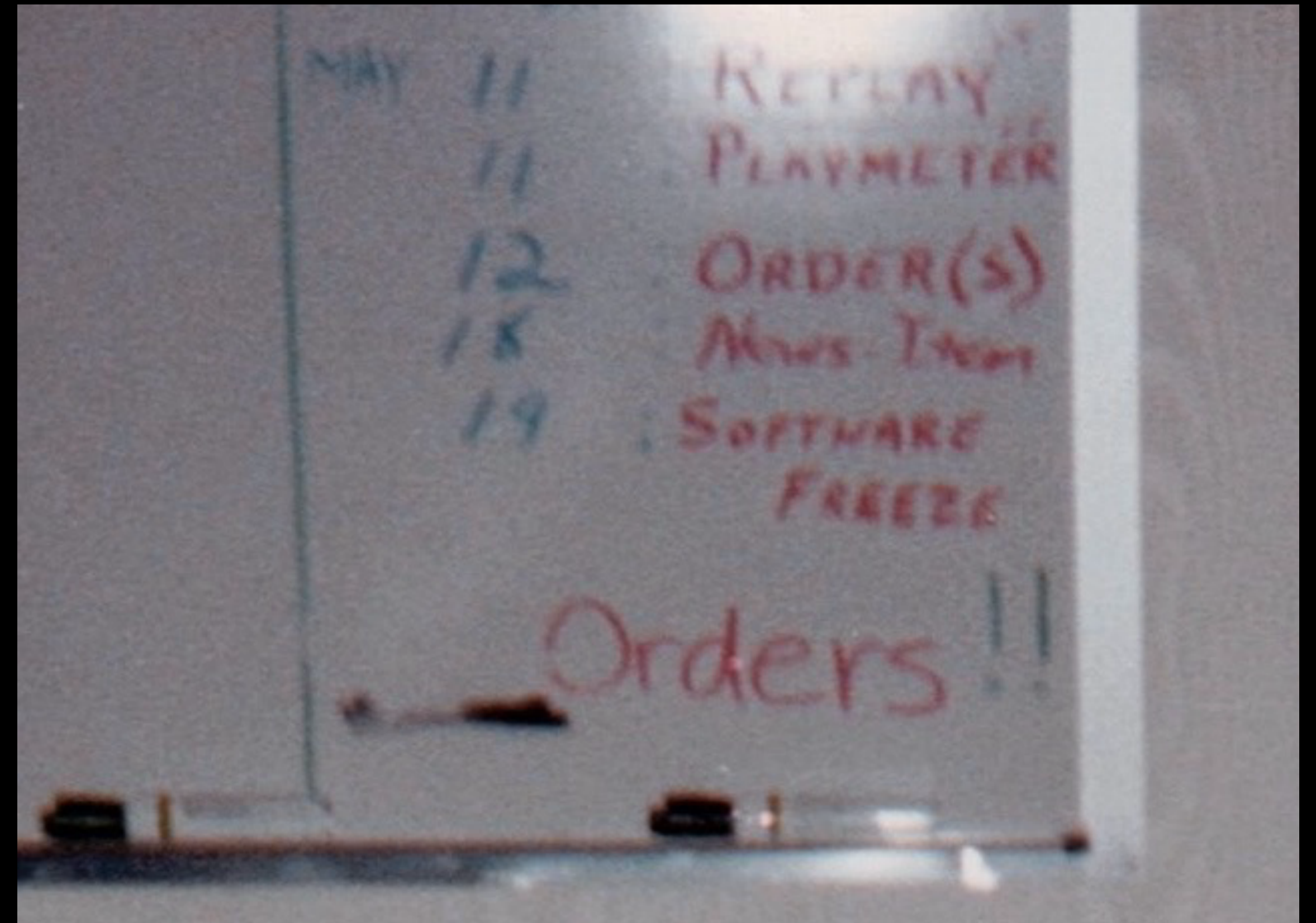
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0	7	7	✓	-	5	-	-	-	✓	7	-	0	-	✓
0	-	-	0	7	7	✓	✓	0	-	✓	2	✓	5	
+	-	✓	✓	-	-	-	-	6	-	6	6	7	1	

MAY 11 INFLAY
11 PLAYMETER
12 ORDER(S)
18 Mews-Trent
19 SOFTWARE
FREEZE

Orders !!



SCHEDULING



JT INVESTS IN GCC

SUPER MISSILE ATTACK

MISSILE SUPER ATTACK

HERE'S HOW TO ORDER:

Gentlemen: I am ordering my **SUPER MISSILE ATTACK™** Enhancement(s). Enclosed is check or money order for _____ Enhancement(s) at \$295.00 each.

name: _____

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city/state/zip: _____

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Boston, Mass. 02146

Immediate Shipment Available

explosive profits

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SUPER MISSILE ATTACK™ is a software enhancement. All the characteristics that made MISSILE COMMAND™ a champion have been retained or improved. SUPER MISSILE ATTACK™ is a cashbox winner in test locations. Set the operator selectable difficulty levels and make it a winner in yours.

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city/state/zip: _____

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1726 Beacon Street
Boston, Mass. 02146

Immediate Shipment Available

General Computer Corp.

EARLY JUNE 1981

- Doug gets married, moves to Wellesley
- Kevin, Steve, JT, Larry move to Wayland
- GCC moves to Wayland

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Gentlemen: I am ordering my **SUPER MISSILE ATTACK™** Enhancement(s).
Enclosed is check or money order for _____
Enhancement(s) at \$295.00 each.

name: _____
address: _____
city/state/zip: _____

Mail to: **GENERAL COMPUTER CORPORATION**
60 Campbell Road
Wayland, Mass. 01778

Immediate Shipment Available.



INTERLOGIC, INC.

Telex : 724389

Phone: (312) 671 0305

INTERLOGIC, INC.

JOSEPH M. RITT

9806 W. FARRAGUT AVE, ROSEMONT, ILL. 60018

Telex : 724389

Phone: (312) 671 0305

Home : (312) 432 6002

INTERLOGIC, INC.

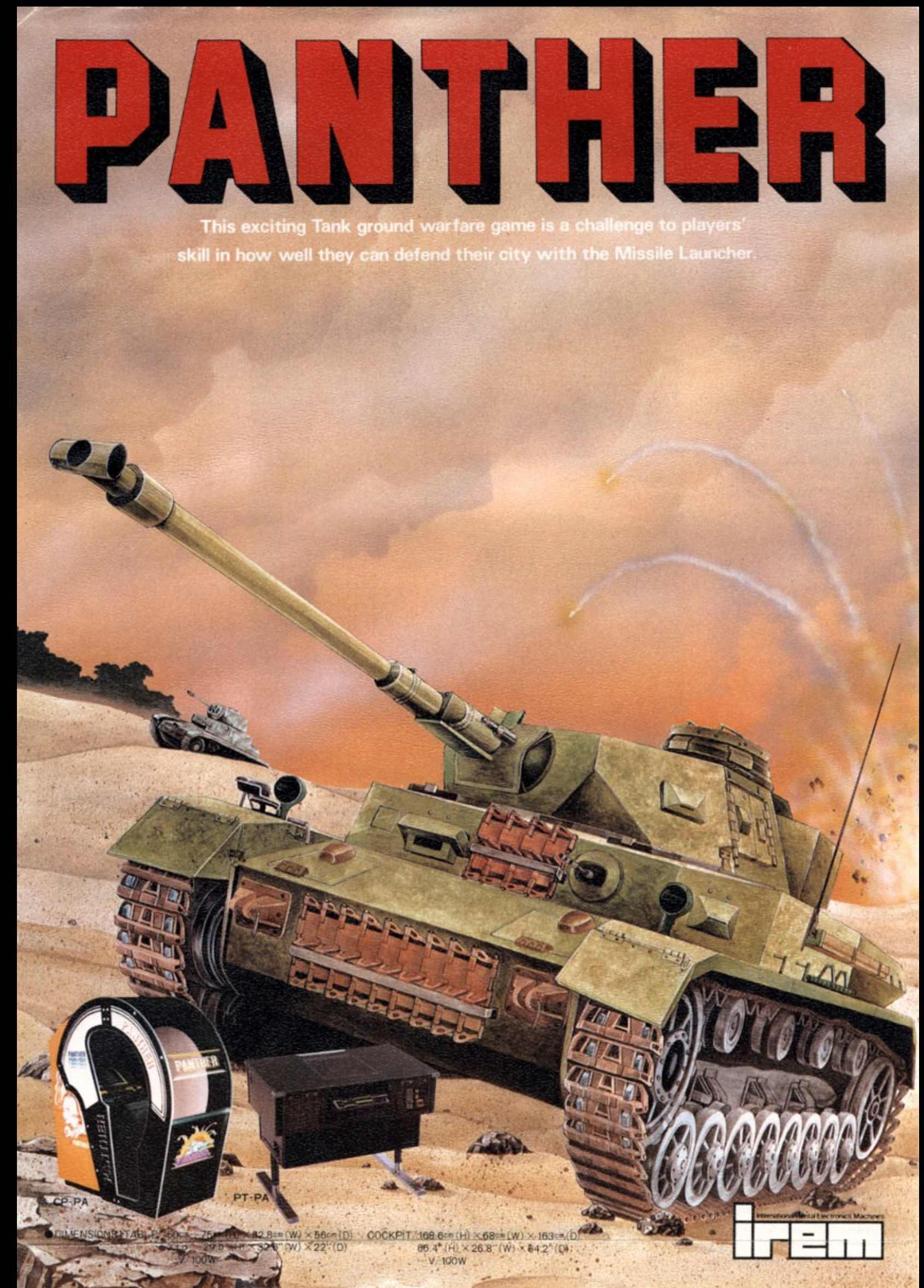
BEN HAR-EL

President

9806 W. FARRAGUT AVE, ROSEMONT, ILL. 60018

PANTHER

Game polishing for Interlogic



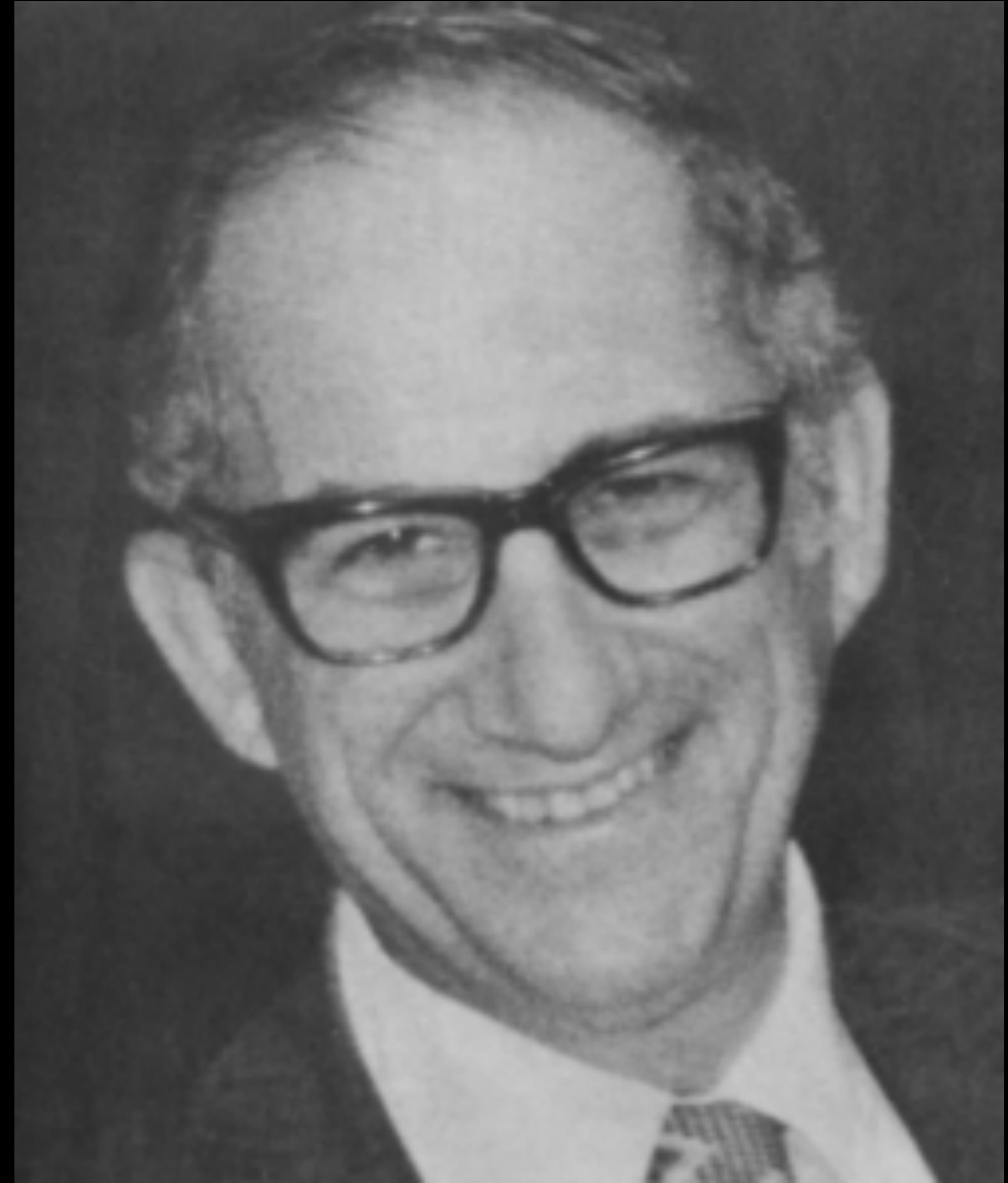
KLOY

images from The Killer List of Videogames

MARSHALL KARAS
GOTTLIEB

MILTON KAUFMAN
CENTURI

JOE ROBBINS



LAWYERS, GAMES AND MONEY

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Warner

Namco I, Namco II, Namco III

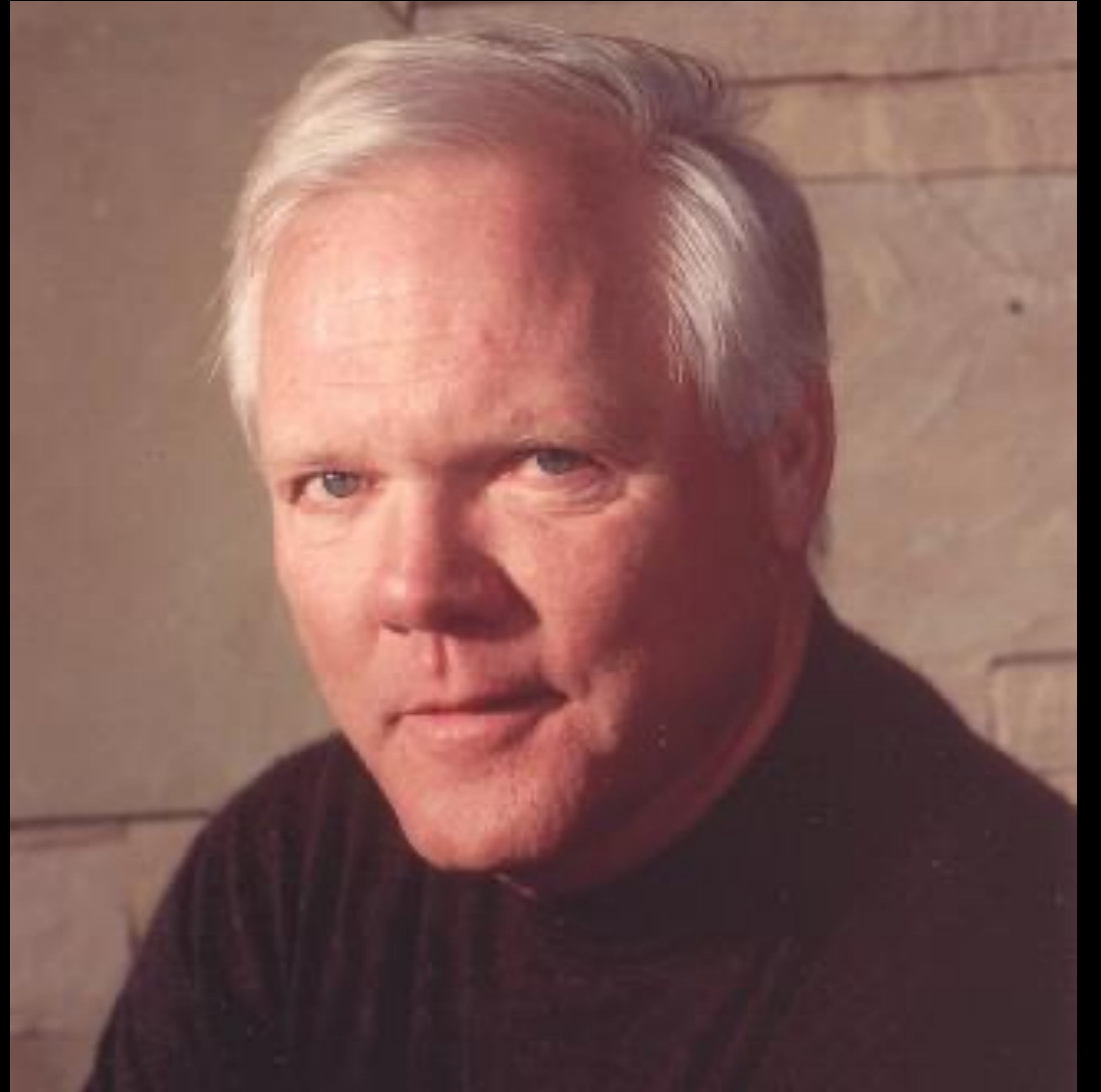
Afterword

Q&A

JULY 6, 1981

ATARI ATTORNEY PAUL LAVERONI
CALLS KEVIN

GERALD D. HOSIER



JULY 20, 1981

JERRY HOSIER
CALLS PAUL LAVERONI

GENERAL COMPUTER V. ATARI

asking for declaratory judgment
that *Super Missile Attack*
does not infringe on Atari rights

Exhibits _____

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

----- X
GENERAL COMPUTER CORP. :
 :
 v. : CA 81-1854-K
 :
 ATARI, INC. :
----- X

ATARI
v.
GENERAL COMPUTER,
KEVIN CURRAN,
DOUGLAS MACRAE

asking for
\$5M from GCC
\$5M from Curran
\$5M from Macrae

①

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

ATARI, INC., a corporation,)
Plaintiff,)
v.)
GENERAL COMPUTER CORPORATION,)
a corporation, KEVIN CURRAN,)
and DOUGLAS MACRAE,)
Defendants.)

Civil Action No. 81-1883-S

COMPLAINT FOR COPYRIGHT INFRINGEMENT,
FALSE DESIGNATION OF ORIGIN, TRADEMARK
INFRINGEMENT, UNFAIR COMPETITION AND TRADEMARK DILUTION

Plaintiff ATARI, INC. alleges as follows:

GENERAL ALLEGATIONS APPLICABLE TO ALL COUNTS

1. Plaintiff is a corporation duly organized and existing under the laws of the State of Delaware, having a principal place

TRO HEARING

Friday, July 31, 1981

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

----- X
ATARI, INC. :
 :
 v. : CA 81-1883-S
 :
 GENERAL COMPUTER CORP., ET AL :
----- X
GENERAL COMPUTER CORP. :
 :
 v. : CA 81-1854-K
 :
 ATARI, INC. :
----- X

HEARING

BEFORE THE HONORABLE ROBERT E. KEETON, U.S.D.J.

Courtroom 11
United States Courthouse
Boston, Massachusetts 02109
Friday, July 31, 1981

TRO HEARING

Friday, July 31, 1981

- Three hours in court on Friday afternoon
- Judge Keeton decides in Atari's favor and issues temporary restraining order
- Now, how much of a bond must Atari post?
 - GCC asks for one million dollars
 - Atari offers \$10,000
 - Court decides \$25,000

18 THE COURT: Do you wish to be heard on
19 the size of the bond?
20 MR. LAVERONI: Yes, your Honor. We are
21 talking about a device that sells for \$300. We
22 are talking about a company that is located at 60
23 Campbell Road in Wayland, Massachusetts. They are
24 a basement company exactly. We are talking about
25 a plaintiff that certainly has the resources to

TRO HEARING

Friday, July 31, 1981

- This TRO only applies to the current version of SMA!
- What if we create a new version that addresses Atari's complaints?
- Must give Atari one week notice... when does the clock start running?

7 give out (Recess taken) with full particulars
8 for THE COURT: The text of the restraining
9 order is in the following terms. First, enjoined
10 from publishing, selling, marketing, distributing,
11 advertising or otherwise disposing of any Super
12 Missile Attack conversion kits as described of
13 record in this case and, second, from publishing,
14 selling, marketing, distributing, advertising or
15 otherwise disposing of any modification of Super
16 Missile Attack conversion kits without having
17 given plaintiff at least one week's advance notice
18 of their intent to do so, together with full and
19 accurate information about the proposed
20 modification and its operation. I have entered that order and copies may
21 be handed to counsel now. I will also state of
22 record some findings on which it is made. Now I
23 will give you a moment, if you wish, to read the
24 order before I state the additional findings.
25

TRO HEARING

Friday, July 31, 1981

23 MR. RUDMAN: Let me tell you why I don't
24 think my dilemma is hypothetical. I already
25 before me THE COURT: I understand it. I think you

1 are right. MR. RUDMAN: All right.

2 MR. RUDMAN: During the break counsel
3 said to me, "Monday morning we are going to have a
4 new device at your office." These differences.

5 THE COURT: I understand. I expect in
6 light of the hearing today that the description of
7 that new device to me should not take very long
8 and that I will not have to hear a lot of argument
9 before I decide whether I should enter the same
10 order with respect to that device as I have
11 entered with respect to the present one pending
12 the hearing on preliminary injunction. But I
13 simply do not think it wise for me to try to
14 address that hypothetically. Our respective
15 papers and MR. RUDMAN: All right. be used to

DEPOSITIONS

Friday, August 7: Kevin Curran

- Super Missile Attack version 2.0 arrives!



13 video game on MR. LAVERONI: While you are
14 looking, since we started this session there are
15 two other individuals that have been in the room,
16 and perhaps counsel can identify them for the
17 record. you can review after break?

18 A. I would MR. HOSIER: or Mr. Steve Golson and
19 I believe the witness's brother whose first name
20 I don't recall that it may or may not be a video

21 game. JERRY CURRAN: Jerry.

22 Q. We'll MR. LAVERONI: to Jerry Curran: cuss
23 They assisted with the video game being installed

16 the record, MR. HOSIER: I think the record
17 should reflect the fact, Mr. Laveroni, that we
18 did bring physically into the room today a
19 Missile Command game that is owned by General
20 Computer, and we have equipped it with the
21 version 2 and have allowed -- bring a collection
22 before the court MR. LAVERONI: which we'll be
23 calling Model 3 and Model 3 of the kit. It's



COPYRIGHT NOTICE

HIGH SCORE TABLE

XMI: XMI Industries

DBM: Doug Macrae

SEG: Steve Golson

LRD: Larry Dennison

JT: John Tylko

KGC: Kevin Curran

CSR: Chris Rode

GCC: General Computer Corp

0 7500

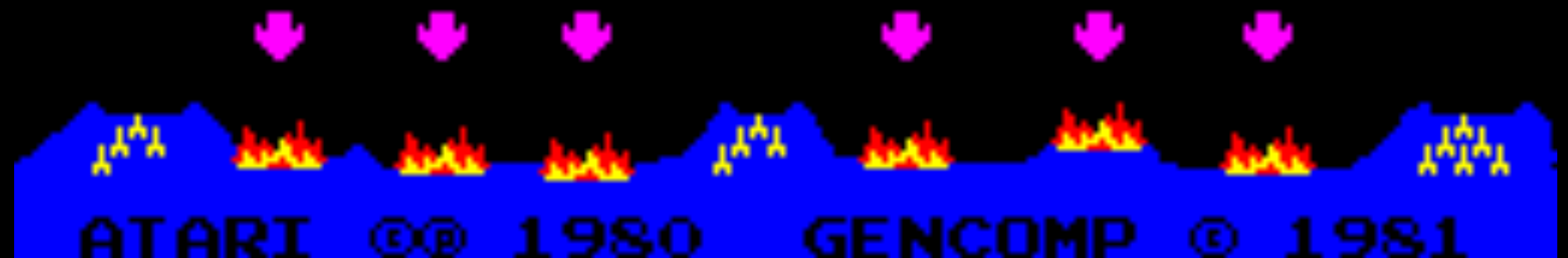
HIGH SCORES

XMI	7500
DBM	7410
SEG	7370
LRD	7220
JT	7180
KGC	7100
CSR	7050
GCC	6950

BONUS CITY EVERY 10000 POINTS

DEFEND

CITIES



SUPER MISSILE ATTACK

Version 2.0

- new graphics on cabinet
- new graphics on plexi
- new graphics on control panel
- new font
- new characters
- new sounds
- no Atari anywhere

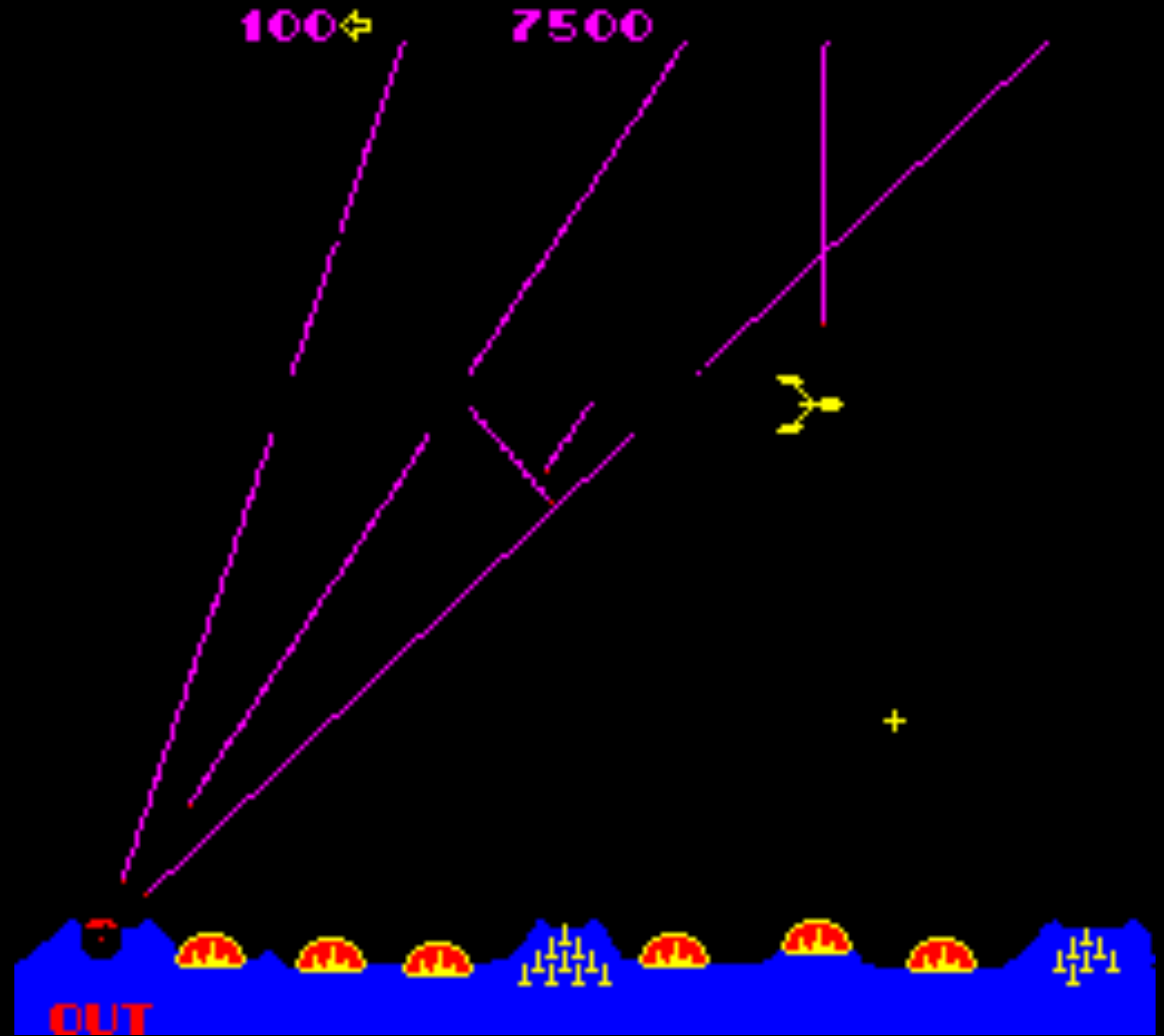


SUPER MISSILE ATTACK

Version 2.0

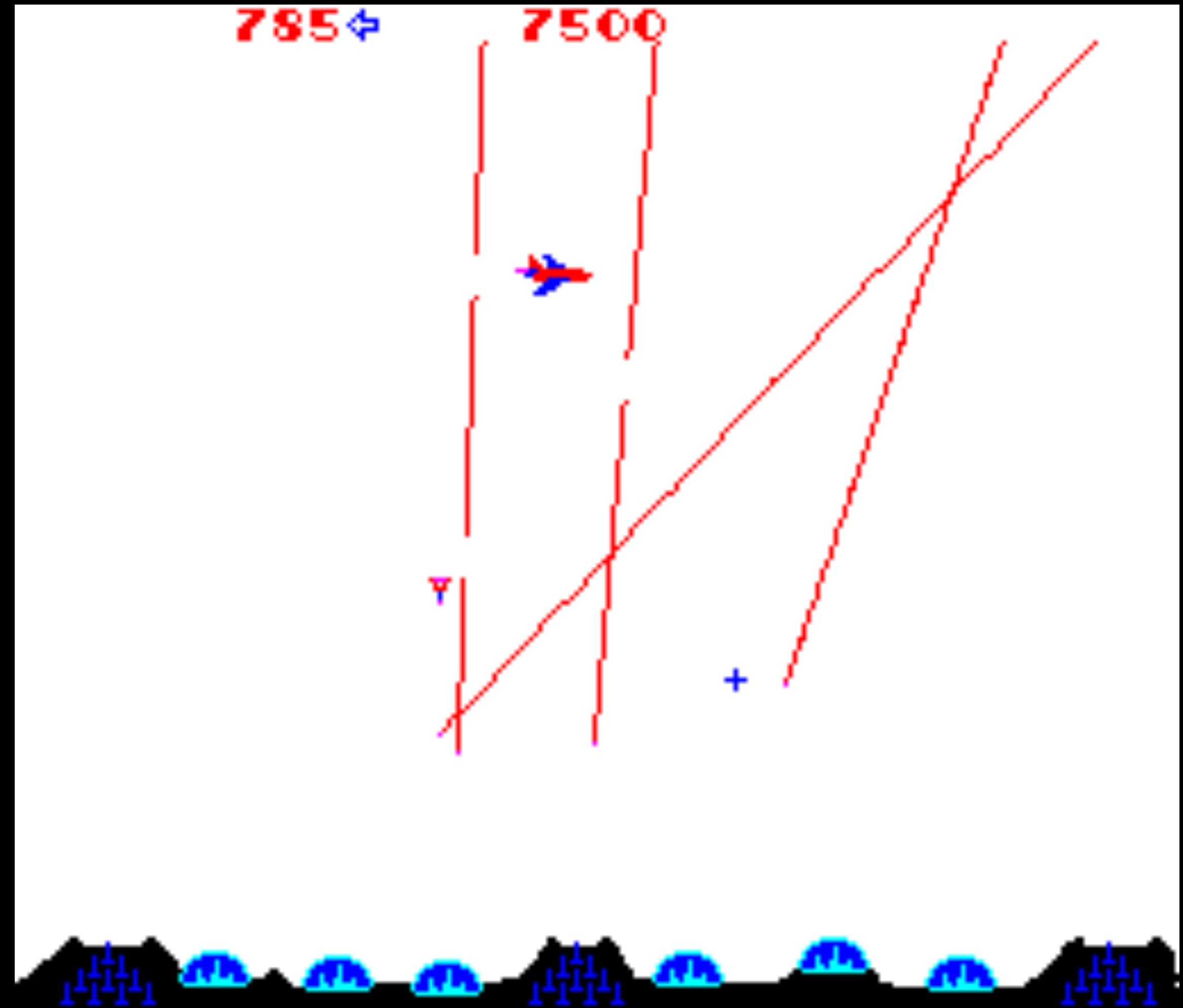
SUPER MISSILE ATTACK

Version 2.0



SUPER MISSILE ATTACK

Version 2.0

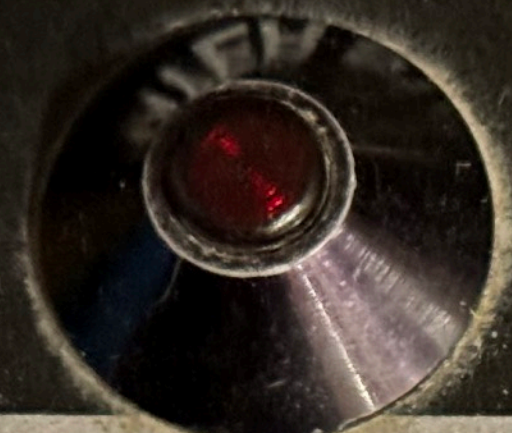


SUPER MISSILE ATTACK

Version 2.0

TRADEMARK
INFRINGEMENT?

PLAYER START 2 PLAYER START



LAUNCH CONTROL



ALPHA
BASE

DELTA
BASE

OMEGA
BASE


TRADEMARK INFRINGEMENT?



PATENT INFRINGEMENT?



1265 BORREGAS AVE
SUNNYVALE, CA 9408
U.S.A.

 A Warner Communication

Model 236 Serial No. 12397
Volts 110 ± 10%, 50/60 Hz Amps 3

This product may be covered by one or more of the following U.S. patents, plus additional ones currently pending or issued:

3,723,652	4,054,919	4,099,719	4,130,830	4,152,671
3,728,480	4,071,697	4,102,532	4,133,530	4,164,759
3,793,483	4,075,621	4,104,625	4,139,863	4,165,072
3,900,886	4,081,829	4,112,422	4,139,968	4,167,019
4,016,362	4,084,194	4,116,444	4,142,722	4,169,272
4,017,642	4,091,234	4,124,787	4,148,485	4,174,836
4,045,789	4,099,092	4,129,883	4,149,027	

**FOR INDOOR USE ONLY
USE GROUNDED OUTLET**

Made in U.S.A.

035723-01 Rev A

PRELIMINARY INJUNCTION

mid August, 1981

- Judge Keeton issues preliminary injunction in Atari's favor
- GCC prevented from selling any version of Super Missile Attack
- discovery continues...

ATARI BEGINS HAVING SECOND THOUGHTS...

August through September 1981

- Atari is annoyed by all the depositions
- Atari starts to realize they might lose, and this would set a very bad precedent
- Maybe this lawsuit wasn't such a good idea after all
- How can Atari make this dispute go away?

HOSIER TALKS TO SKIP PAUL

SKIP PAUL
Charles S. Paul



NEGOTIATIONS BEGIN...

August 1981

SOFTWARE AND HARDWARE DEVELOPMENT AGREEMENT

This Agreement is entered into as of August __, 1981 between General Computer Corporation, a Massachusetts corporation ("General"), and Atari, Inc., a Delaware corporation ("Atari").

1. Definitions.

1.01 "Accepted Product" shall refer to a Developed Product as to which Atari has delivered the notice provided for in subparagraph 2.05 below.

1.02 "Atari Field of Use" shall refer to all consumer and commercial applications of software and hardware in connection with consumer electronic games and toys, personal home computers, coin operated video and pinball games or any related accessories.

1.03 "Atari Products" shall refer to current and future consumer electronic games and toys, personal home computers and coin-operated video and pinball games, as well as any related accessories, manufactured or distributed by or for Atari.

ATARI AGREEMENT WITH GENERAL COMPUTER

October 8, 1981

- Atari drops its suit against GCC with prejudice
- GCC to be paid \$50,000 per month to develop arcade games for Atari
- Two year term
- No commitment, but Atari expects twelve new games
- GCC discontinues sales of Super Missile Attack
- GCC will not market any more enhancement kits

BUT, GCC HAS ANOTHER ENHANCEMENT KIT

We've been working on this all summer, June-September 1981

1 Q. What are the other two products that
2 General Computer has worked on other than Super
3 Missile Attack kit?

4 MR. HOSIER: You may answer in
5 general terms.

6 THE WITNESS: We are working on
7 one other enhancement product and one video game.

8 Q. Is the enhancement product you're
9 working on designed to be used with any video
10 game manufactured by Atari?

11 MR. HOSIER: You can answer.

12 THE WITNESS: No.

13 Q. Is that enhancement product designed to
14 be used with a video game currently on the
15 market?

16 A. Yes.

22 Q. Has the development of that enhancement
23 product been undertaken pursuant to agreement

1 with the manufacturer of the video game with
2 which it is designed to be used?

3 A. No, it has not been.

4 Q. When do you anticipate that product
5 being marketed?

6 MR. HOSIER: I will advise the
7 witness he need not answer that question unless
8 you can demonstrate the relevance to me of that
9 question in this proceeding. You've already
10 been advised that it has nothing to do with
11 Atari. With that, you seem to have gone beyond
12 the limits of this litigation.

ATARI AGREEMENT WITH GENERAL COMPUTER

October 8, 1981

- Atari drops its suit against GCC with prejudice
- GCC to be paid \$50,000 per month to develop arcade games for Atari
- Two year term
- No commitment, but Atari expects twelve new games
- GCC discontinues sales of Super Missile Attack
- GCC will not market enhancement kits **unless with permission from the manufacturer**

LAWYERS, GAMES AND MONEY

A brief history of General Computer Corp. (GCC) 1981–1984

Getting started

Atari

Midway

Warner

Namco I, Namco II, Namco III

Afterword

Q&A

KEVIN CALLS DAVE MAROFSKE
PRESIDENT OF MIDWAY

CRAZY OTTO

October 12, 1981

Attract Mode

CRAZY OTTO

October 12, 1981

Act 1 : They Meet

CRAZY OTTO

October 12, 1981

Act 2 : The Chase

CRAZY OTTO

October 12, 1981

Act 3 : Junior

MIDWAY AGREEMENT WITH GCC

October 29, 1981

- \$150k up front
- \$45 for sale of each Crazy Otto kit
- \$75 for sale of each new Crazy Otto cabinet
- 40% of merchandising revenue for Crazy Otto character
- payments spread over four years

NAME AND CHARACTER CHANGES

Crazy Otto



Super Pac-Man



Miss Pac-Man
Pac-Woman



Ms Pac-Man



DONKEY KONG

a brief digression...

```
0000ed0: 3eed 443c 95da de3e dd96 0ad2 fa3e fd7e >.D<...>.....>~
0000ee0: 03dd 9603 d2e9 3eed 4494 daf3 3edd 9609 .....>.D...>...
0000ef0: d2fa 3e3a 6060 3c32 6060 dd19 10c5 c900 ..>:``<2``.....
0000f00: 434f 4e47 5241 5455 4c41 5449 4f4e 2021 CONGRATULATION !
0000f10: 4946 2059 4f55 2041 4e41 4c59 5345 2020 IF YOU ANALYSE
0000f20: 4449 4646 4943 554c 5420 5448 4953 2020 DIFFICULT THIS
0000f30: 5052 4f47 5241 4d2c 5745 2057 4f55 4c44 PROGRAM,WE WOULD
0000f40: 2054 4541 4348 2059 4f55 2e2a 2a2a 2a2a TEACH YOU.****
0000f50: 5445 4c2e 544f 4b59 4f2d 4a41 5041 4e20 TEL.TOKYO-JAPAN
0000f60: 3034 3428 3234 3429 3231 3531 2020 2020 044(244)2151
0000f70: 4558 5445 4e54 494f 4e20 3330 3420 2020 EXTENTION 304
0000f80: 5359 5354 454d 2044 4553 4947 4e20 2020 SYSTEM DESIGN
0000f90: 494b 4547 414d 4920 434f 2e20 4c49 4d2e IKEGAMI CO. LIM.
0000fa0: cda6 3fc3 5f0d 3e02 f706 0221 6c77 3610 ..?._.>....!lw6.
0000fb0: 2323 36c0 218c 7410 f5c9 0000 0000 0000 ##6.!t.....
0000fc0: 214d 6936 032c 2cc9 0000 417f 7f41 0000 !Mi6.,,...A..A..
```



VERSION NAMCO

December 18, 1981

```
00000750: f30a f400 6564 6588 6788 6163 6485 6485 ....ede.g.acd.d.  
00000760: 6a69 6a8c 7593 9091 9091 708a 6871 fff1 jij.u.....p.hq..  
00000770: 02f2 03f3 0af4 0265 9068 7068 6766 6590 .....e.hphgfe.  
00000780: 6170 6165 6866 9063 9086 9085 9085 7086 apaehf.c.....p.  
00000790: 6865 ffff bacd 3dba 2104 00e5 2163 04d1 he....=!....!c..  
000007a0: 4745 4e45 5241 4c20 434f 4d50 5554 4552 GENERAL COMPUTER  
000007b0: 2020 434f 5250 4f52 4154 494f 4e20 2020 CORPORATION  
000007c0: 3231 3520 4649 5253 5420 5354 5245 4554 215 FIRST STREET  
000007d0: 4341 4d42 5249 4447 452c 204d 4153 532e CAMBRIDGE, MASS.  
000007e0: 2e2e 2e2e 2e2e 2e2e 2e2e 2e2e 2e2e 2e2e .....  
000007f0: 4865 6c6c 6f2c 204e 616b 616d 7572 6121 Hello, Nakamura!
```

"MS PAC-MAN"



STARRING

MS PAC-MAN



© MIDWAY MFG CO

1980/1981

MS. PAC-MAN

January 1982

```
00000770: 71ff f102 f203 f30a f402 6590 6870 6867 q.....e.hphg
00000780: 6665 9061 7061 6568 6690 6390 8690 8590 fe.apaehf.c....
00000790: 8570 8668 65ff ff3a 004f fe00 280b 1102 .p.he...:0..(...
000007a0: 4c21 504f 010c 00ed b03a 094e 2172 4ea6 L!PO.....:N!rN.
000007b0: 280c 3a0a 4cfe 3f20 053e ff32 0a4c 2185 (.:.L.? .>.2.L!.
000007c0: 96c3 c42c ffff ffff ffff ffff ffff ffff ...,.....
000007d0: 4745 4e45 5241 4c20 434f 4d50 5554 4552 GENERAL COMPUTER
000007e0: 2020 434f 5250 4f52 4154 494f 4e20 2020 CORPORATION
000007f0: 4865 6c6c 6f2c 204e 616b 616d 7572 6121 Hello, Nakamura!
```

"MS PAC-MAN"



STARRING

MS PAC-MAN



© MIDWAY MFG CO
1980/1981

LAWYERS, GAMES AND MONEY

A brief history of General Computer Corp. (GCC) 1981–1984

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Q&A

FEBRUARY 1982

Projects being worked on include:

Fireman

music driver

for TI sound chip

Food Fight

character

Molecular Magic
(Quantum)

development
system

All are coin-op projects...

February 3-4

Ray Kassar
and Manny Gerard
visit GCC

March 4

Manny Gerard
and Skip Paul
visit GCC

Meanwhile...

what's going on at Atari?

In February 1982, when another group of VCS programmers threatened to leave, Kassar panicked. If they quit, Atari would have had no VCS programmers left. "Kassar was desperate. He was running scared," Kaplan says. He responded by throwing money at the designers. Salaries were increased and a hastily-created bonus plan was instituted.

"What Went Wrong at Atari"

San Jose Mercury News

November 6, 1983

PAC-MAN FOR 2600

April 3, 1982



Early April 1982

Kevin gets a phone call

Spring 1982

Work begins on VCS carts

Combat II

Centipede

Phoenix

Rubik's Cube

Vanguard

Ms. Pac-Man

Galaxian

others...

WARNER COMMUNICATIONS:
"WE WANT TO BUY YOUR COMPANY"

WARNER COMMUNICATIONS:
"WE WANT TO BUY YOUR COMPANY"

KEVIN AND DOUG:
"WE ARE NOT INTERESTED IN SELLING"

WARNER COMMUNICATIONS:
"WE WANT TO BUY YOUR COMPANY"

KEVIN AND DOUG:
"WE ARE NOT INTERESTED IN SELLING"

"And you know, that \$50k/month isn't looking so attractive,
now that we have the Ms. Pac royalty stream coming for four years"

NEGOTIATIONS WITH WARNER COMMUNICATIONS

Spring 1982

- A serious contract to replace the original Atari deal
- Massive document 3" thick signed July 30, 1982
 - Joint venture of WCI and General Computer Corporation (Nevada), with General Computer Company (Mass.) as operating entity
 - Kevin & Doug employment agreements
 - Manufacturing & marketing agreement(s) with Atari
 - Licensing agreement
 - Ms. Pac-Man license to Atari

LAWYERS, GAMES AND MONEY

A brief history of General Computer Corp. (GCC) 1981–1984

Getting started

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Midway

Warner

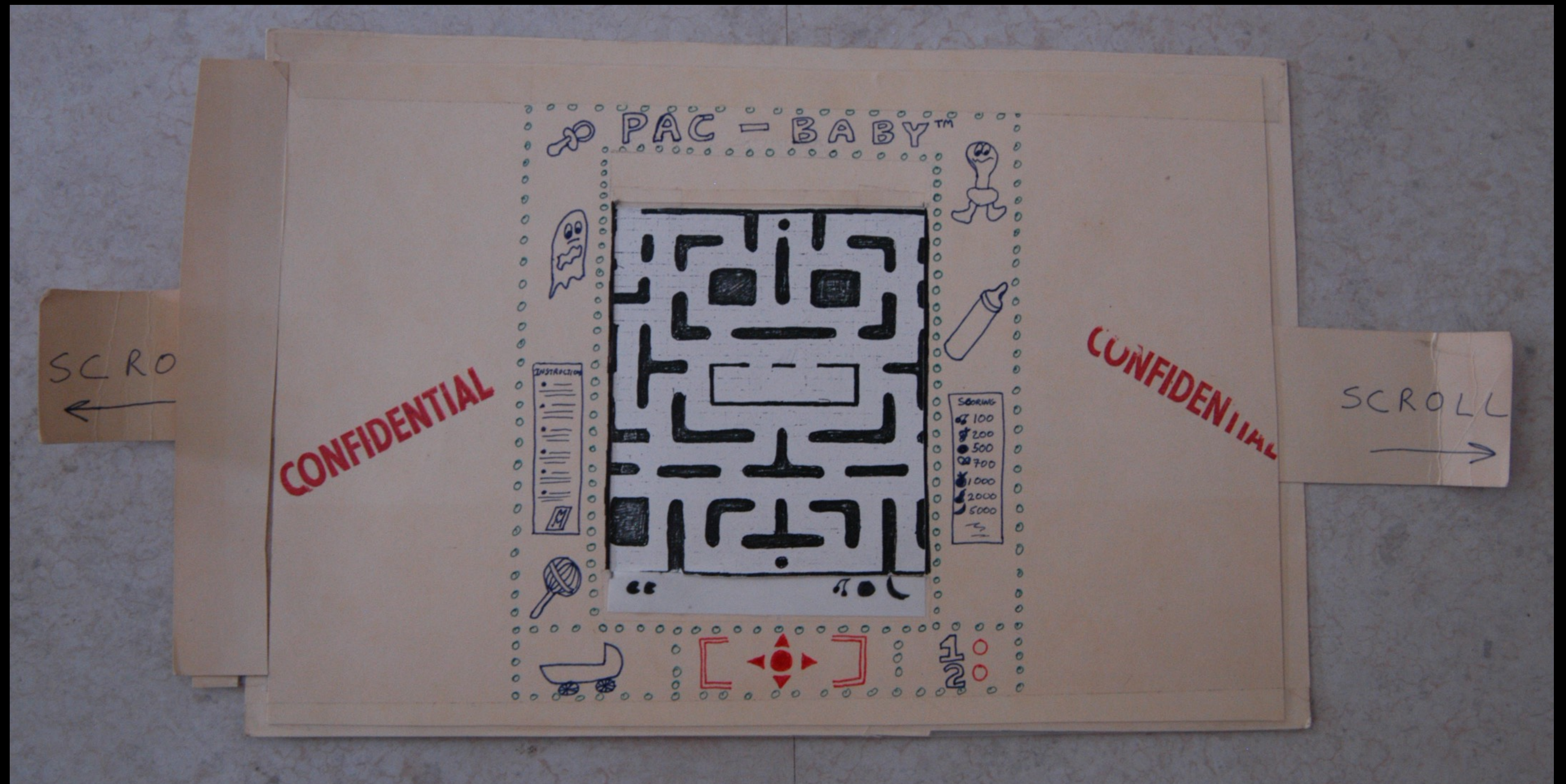
Namco I, Namco II, Namco III

Afterword

Q&A

PAC-BABY ARCADE GAME

Project starts early 1982



MR. & MRS. PAC-MAN

April 1982

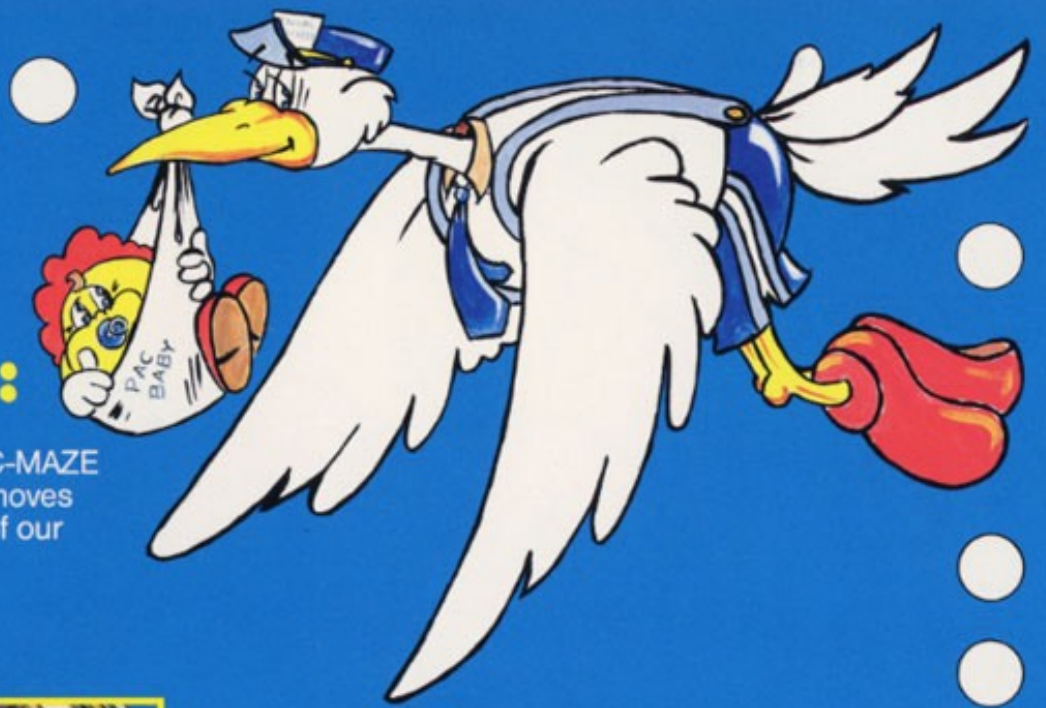


MR. & MRS. PAC-MAN

April 1982

Proven Play Appeal:

you can play video PAC-MAN on the PAC-MAZE via our new VID-GRID™ feature. All the moves and excitement of video in the middle of our pinball; a game within a game!



When you're ready to play the PAC-MAZE VID-GRID™ the playfield darkens, the count-down begins and PAC-MAN is ready to go... Remember! The left flipper button controls direction and the right flipper button controls movement.

P.S.—A helpful hint... the saucer skill shot off the plunger is your fastest way to activate the PAC-MAZE VID-GRID™. You'll get 10 moves and an Aggressive PAC-MAN.



PAC-MAN

September 25, 1982



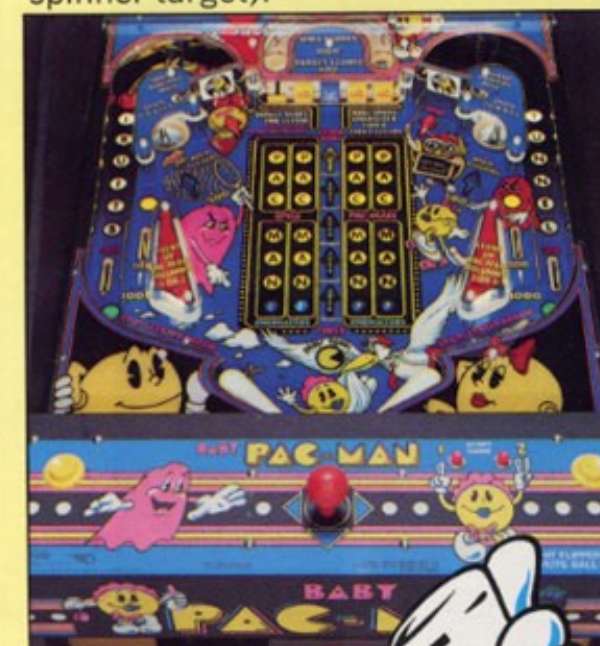
BABY PAC-MAN

October 11, 1982



Begin on the ever popular Pac-Man Maze—filled with white dots, it contains none of the energizers needed to attack the monsters.

Escape to the Pinball Playfield to earn important energizers 3 different ways: tunnel speed-up (right spinner target), and valuable fruits (left spinner target).



Earn an Extra Baby by completing the center playfield arrows (3 different ways).

Resume Video Action by hitting a qualified saucer or draining the ball.

The game begins and ends on the Video Maze. Three Baby-Pacs are awarded per player at the beginning of the game; play ends when the last Pac is eaten.

A Winning Game... and beautifully packaged in an all-new video cabinet, Baby Pac-Man™ also contains a great hardware package.

Bally's Mr. & Mrs. Pac-Man are beaming with pride over their bouncing bundle of Joystick joy.....

BABY PAC-MAN™

A great new video game that's enhanced with a pinball feature!



- Easy access for all major boards
- One "Combo Board" (Solenoid & Lamp Drivers)
- One Pinball MPU Board
- One "Vidiot" Board with self-testing capability comparable to the existing MPU Board which controls both sight and sound.
- Top and/or side flipper control button



Cabinet Specs: Height 67 3/4"
Weight 22 3/4"
Depth 37"

Bally
PINBALL DIVISION

90 O'Leary Drive, Bensenville, Illinois 60106, U.S.A.
Telephone: (312) 860-6400

© 1982 Bally Manufacturing Corporation

LETTER FROM GCC TO MIDWAY

June 21, 1982

- Letter from Hosier puts Bally Midway on notice of 4 independent grounds for material breach of the October 29, 1981 Game Agreement
- Midway told GCC that it did not feel GCC was entitled to royalties on either the *Mr. and Mrs. Pac-Man* Pinball Machine or *Baby Pac-Man*
- GCC objected because both of these games were capitalizing on Ms. Pac-Man and Junior

LETTER FROM GCC TO MIDWAY

late summer 1982

- Letter from Hosier terminating the October 29, 1981 Game Agreement

BALLY MIDWAY V. GENERAL COMPUTER CORP.

October 27, 1982

US District Court, Chicago

- Midway asks for TRO to “permanently enjoin” GCC from “asserting publicly any right to the Ms. Pac-Man and Baby Pac-Man character” and from “interfering with any license agreement or business transaction between Midway and any other party including any licensee or prospective licensee under any right owned by Midway in the Ms. Pac-Man video game.”
- TRO denied

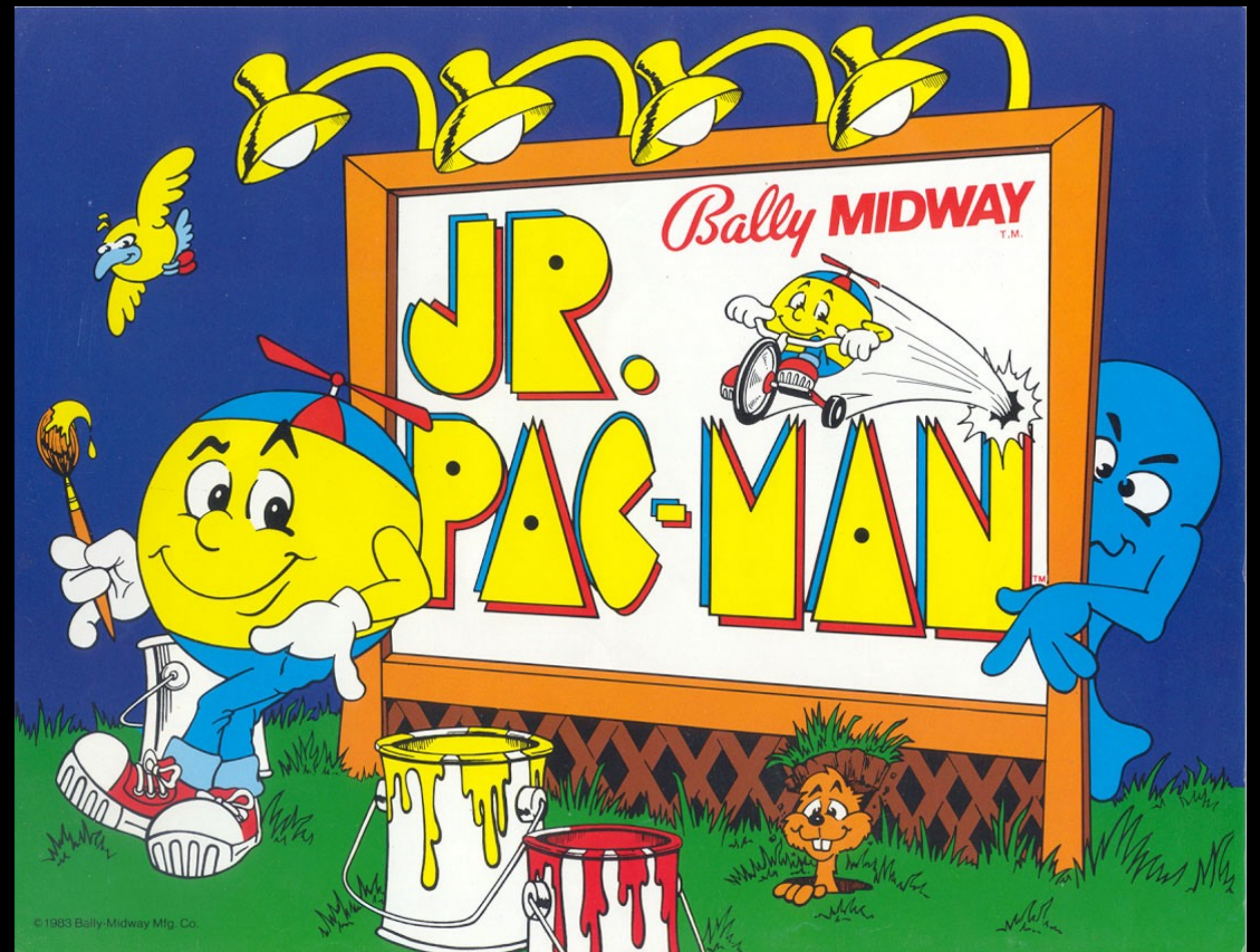
NAMCO | SETTLEMENTS

October 1983

- 3-way agreement
 - GCC and Midway
 - Midway and Namco
 - Namco and GCC
- GCC gets higher royalties on arcade *Jr. Pac-Man* and *Ms. Pac-Man* 6½%, or \$136.17 per cabinet
- Namco/Midway can use characters royalty-free in arcade games
- GCC gets licensing revenues via complicated formula

JR. PAC-MAN

December 1983



DIGRESSION:

MAGNAVOX/SANDERS

V.

BALLY MIDWAY

February 13, 1984

August 28, 1984

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

----- x
THE MAGNAVOX COMPANY, :
Plaintiff, :
vs. :
BALLY MIDWAY MANUFACTURING COMPANY, :
Defendant. :
-and- : Civil Action
: No. 83C2357
BALLY MIDWAY MANUFACTURING COMPANY, :
Plaintiff, :
vs. :
SANDERS ASSOCIATES, INC., :
Defendant. :
----- x

DEPOSITION of STEVEN E. GOLSON, a witness called on behalf of the Plaintiff The Magnavox Company, taken pursuant to the Federal Rules of Civil Procedure, before Anne H. Bohan, Registered Professional Reporter and Notary Public in and for the Commonwealth of Massachusetts, at the Offices of Lahive and Cockfield, 60 State Street, Boston, Massachusetts, on Monday, February 13, 1984, commencing at 10:10 a.m.

PRESENT:

Neuman, Williams, Anderson & Olson (by James T. Williams, Esq.), 77 West Washington Street, Chicago, Illinois 60602; and Reuben & Proctor (by David W. Maher, Esq.), 19 South LaSalle Street, Chicago, Illinois 60603, for the Plaintiff the Magnavox Company and Sanders Associates, Inc. (Over)

1984 AT GENERAL COMPUTER

An eventful year

- February – Apple introduces Macintosh
- May – Atari 7800 ProSystem announced, great press coverage
- spring – work begins on HyperDrive and other Mac products
- July – Warner sells Atari to Jack Tramiel
- July – GCC negotiates with Jack
- late summer – video game work ends
- October – major layoffs at GCC

GCC TECHNOLOGIES

1984–2015

- HyperDrive
 - first internal hard disk for Apple Macintosh computer
- Many other Mac peripherals
- Laser printers for Mac and PC
- VideoGuide spinoff company
 - early set-top box with on-screen channel guide



ALL OVER!
Right?



LAWYERS, GAMES AND MONEY

A brief history of General Computer Corp. (GCC) 1981–1984

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Midway

Warner

Namco I, **Namco II**, Namco III

Afterword

Q&A

MS. PAC-MAN/ GALAGA – CLASS OF 1981

20th anniversary arcade cabinet
released by Namco in 2000



TIMELINE OF EVENTS

late 1980s–1990s: various Ms./Jr. Pac products licensed by Namco

June 2002: Curran sees 20th anniversary Ms. Pac-Man cabinet

July 18, 2002: Curran calls Kevin Hayes, president of Namco

July 19, 2002: Curran sends Hayes a letter and copy of October 29, 1981 agreement

August 7, 2002: Hayes sends what they believe is a GCC release document

September 4, 2002: Curran sends Hayes a copy of October 1983 agreement

SLOW PROGRESS 2002-2005

Memories from Doug Macrae

“Kevin was running GCC and I was running one of the three companies of TV Guide. We understood the terms of the agreement and knew that it was Namco’s obligation under the agreement to be providing us with royalty reports and to be negotiating a reasonable royalty rate. Namco took many years to provide us with all of the missing contractual royalty reports and during this time, never made a serious offer on royalties.”

“In 2005, I retired from TV Guide and had time to address the Namco issue. I began searching the internet and compiling a list of all of the Ms. Pac-Man products I could find that were being sold. My search started on eBay, Amazon, and different online stores. I also visited stores such as KB Toys, Best Buy, Target, and Wal-Mart. I read online game descriptions and reviews. After that, I began purchasing the games and started quite a collection.”

TIMELINE OF EVENTS

October 12, 2005: Curran, Macrae, Hayes, and Yoshimoto meet in Chicago

Doug: "The meeting was quite frustrating in that Kevin Hayes really still had no intention of making any serious offer of royalties for the coin-op unit on which they were making roughly a \$1,000 gross profit. We were quite insulted when he stuck to his \$5 offer which we knew was roughly 1/2% of the overall profit on the unit. When confronted with this, Kevin Hayes said that the final profit was substantially lower because out of the gross profit, they had to pay \$300 per unit to Cosmodog, the company that had done the porting!"

TIMELINE OF EVENTS

October 12, 2005: Curran, Macrae, Hayes, and Yoshimoto meet in Chicago

October 21, 2005: Curran send Hayes letter demanding full accounting and payment

November 7, 2005: Hayes sends Curran letter

December 15, 2005: Curran sends Hayes letter

December 21, 2005: Hayes sends Curran letter

January 25, 2006: Hayes sends Curran letter with initial royalty report and check for \$518,931.29

February 28, 2006: Curran sends Hayes letter

March 14, 2006: Yoshimoto sends Curran letter. GCC deposits check.

TIMELINE OF EVENTS

- April 2006: GCC exercises audit rights under the Namco I agreement
- November 9, 2006: audit occurs
 - Namco withholds all information on games they feel no royalty is due

ARBITRATION
December 4, 2006

1 Allan Steyer (State Bar No. 100318)
D. Scott Macrae (State Bar No. 104663)
2 STEYER LOWENTHAL BOODROOKAS
ALVAREZ & SMITH LLP
3 One California Street, Third Floor
San Francisco, California 94111
4 Telephone: (415) 421-3400
Facsimile: (415) 421-2234

5 Attorneys for Plaintiffs Kevin G. Curran,
6 Douglas B. Macrae, John Tylko, Jr., and
Gerald D. Hosier, the successors in interest
7 of General Computer Corporation

RECEIVED

DEC 04 2006

JAMS

8

9

JAMS

10

11 KEVIN G. CURRAN, DOUGLAS B.
MACRAE, JOHN TYLKO, JR., and
12 GERALD D. HOSIER, the successors in
interest of General Computer Corporation,

PLAINTIFFS' NOTICE OF CLAIM

13

Plaintiffs,

14

vs.

15

16 NAMCO-AMERICA, INC., a wholly-owned
subsidiary of NAMCO BANDAI GAMES,
INC., NAMCO-AMERICA, INC., NAMCO
17 LIMITED and NAMCO BANDAI GAMES,
INC.,

18

Defendants.

19

20

ARBITRATION

One claim:
Breach of contract/Unpaid royalties

17 **COUNT 1: BREACH OF CONTRACT/UNPAID ROYALTIES**
18 40. Plaintiffs reallege and incorporate paragraphs 1-39 hereinabove.
19 41. All the conditions required for Namco's performance under the Namco Agreement
20 have been met.
21 42. Namco has breached and failed to perform its obligations under the contracts by acts
22 and omissions, including those set forth above.
23 43. Namco owes royalties to GCC which Namco has failed to pay.
24 44. By reason of Namco's breach of the Namco Agreement and failure to pay royalties,
25 Plaintiffs have suffered damages in an amount to be proven according to the evidence.
26
27 WHEREFORE PLAINTIFFS PRAY FOR:
28 1. Compensatory damages according to proof;

9

PLAINTIFFS' NOTICE OF CLAIM

S:\General Computer\Plaintiffs' Notice of Claim 12-04-06.wpd

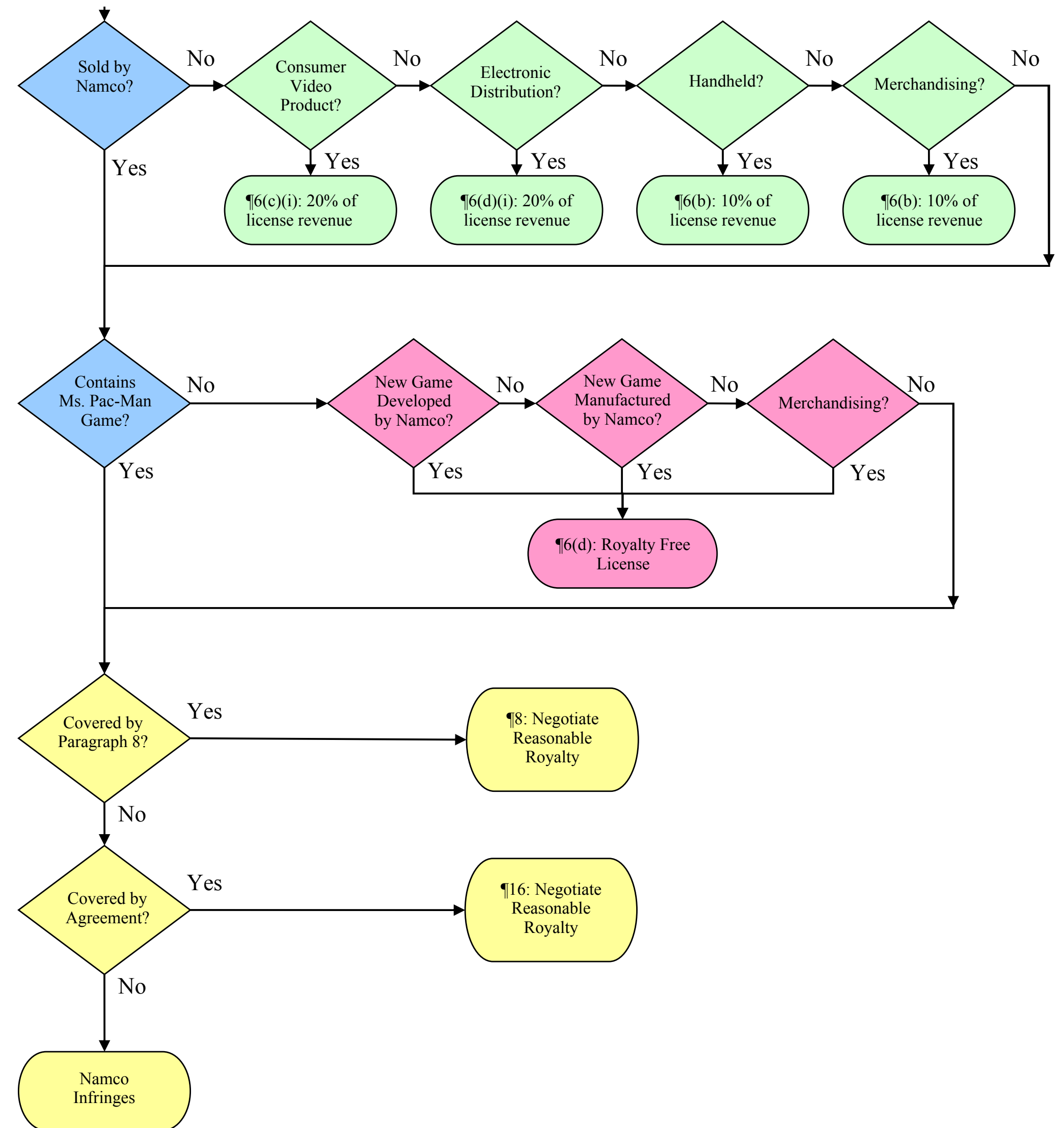
1 2. Prejudgment interest;
2 3. Attorneys fees and costs;
3 4. The setting of a reasonable royalty rate for sales and licenses by Namco where the
4 contract fails to specify a royalty rate;
5 5. Specific performance and other appropriate equitable relief; and
6 6. Such further relief as the arbitrator deems appropriate under the circumstances.

TYPES OF PRODUCTS IN DISPUTE

- Non Ms. Pac-Man Games with Ms. Pac-Man characters
- Ms. Pac-Man Consumer Video Products
- Ms. Pac-Man Handheld Products
- Ms. Pac-Man Electronic Distribution Products
- Ms. Pac-Man Coin-op Games
- Ms. Pac-Man Character Merchandising

COMPLICATED RIGHTS

"...the contracts are, in material respects, badly written."



ARBITRATION TIMELINE

2007–2008

- July 2, 2007: opening briefs
- July 9: reply briefs
- Hearings held August 29, 30 and 31, September 10 and 17, October 8
 - Plaintiffs live testimony from Kevin Curran, Gerald Hosier and Douglas Macrae
 - Namco live testimony from Kenji Hisatsune, Maurice Molyneaux and Brian Schorr
- October 8: closing arguments
- January 21, 2008: Final First Stage Award
- November 10, 2008: Final Second Stage Award (Damages)

KENJI HISATSUNE
President, CEO and COO
Namco Networks America, Inc.

August 31, 2007

18 Q. On these types of agreements that we've been
19 discussing, how much revenue has Namco received?

20 A. Overall or a particular product?

21 Q. Overall. Yes, overall.

22 A. 60-plus million.

23 Q. 60-plus. And that's in about two years?

24 A. Three, almost four years.

25 Q. Okay. And in a lot of those instances,

1 Ms. Pac-Man has been one of the games that the cell phone
2 carriers can use; correct?

3 A. Ms. Pac-Man is one of our game.

4 Q. And how much revenue has come from

5 Ms. Pac-Man? Is it correct that it's over \$20 million
6 during this time period?

7 A. I would think so.

8 Q. What's your best estimate as to the precise
9 amount as of today?

10 A. 20, maybe 22.

11 Q. Okay. 20, \$22 million. So that's almost --
12 that's over a third of the revenue from the cell phone
13 line of business for Namco; correct?

14 A. Yes.

FINAL SECOND
STAGE AWARD
(DAMAGES)
November 10, 2008

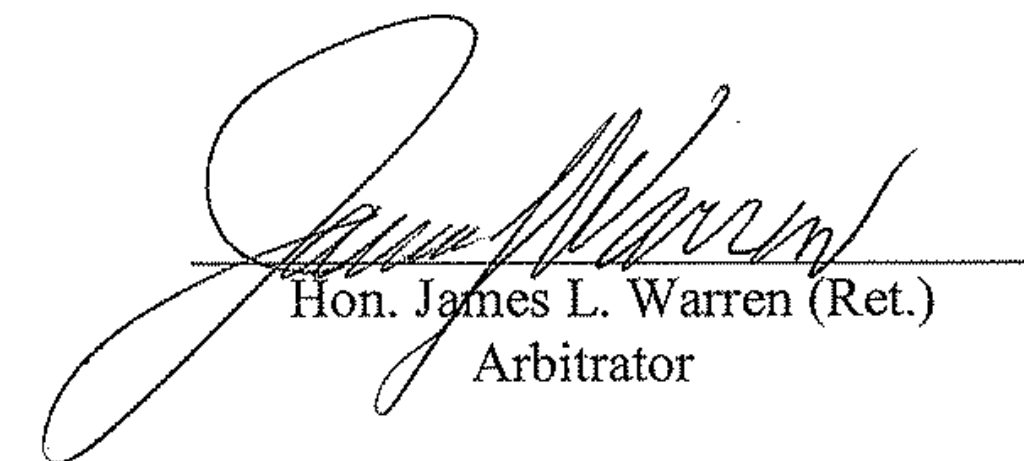
17 **VI. Conclusion**

18 In conclusion the Arbitrator finds as follows:

- 19 1. The reasonable royalty rate for qualifying coin-op games sold by Namco under
20 Paragraph 8 of the October 14, 1983 Agreement is \$78.30 per game.
- 21 2. NC coin-op games that are manufactured so that they cannot be readily modified
22 to accept a coin or other insertable object are not subject to royalties under Paragraph 1, above.
23 Coin-op games that are manufactured so that the coin-op feature is present but can be disabled
1 or blocked qualify as royalty bearing coin-op games. This includes games that were
2 manufactured without the actual coin-op mechanism in them, but which can be fitted with the
3 mechanism in the space otherwise provided for it.
- 4 3. Namco is not allowed to prorate royalties on Ms. Pac-Man games. It will pay
5 General a full royalty of \$78.30 for every coin-op game sold or licensed by it, regardless of how
6 many other games are included within the gaming unit or console.
- 7 4. Namco will pay General 7% interest on all liquidated damages owed under this
8 Award and under the Stipulated Agreement and Order effective August 1, 2008, except that no
9 interest will accrue during the period from November 1, 2002 through July 31, 2005, and no
10 interest will be due on electronic distribution royalties due during the first two quarters of 2008.
- 11 5. Namco will pay General 7% interest on all unliquidated damages owed under
12 this Award, and those damages will collect interest from December 4, 2006, or from the date of
13 sale of the game, if it is later than December 4, 2006.
- 14 6. General is the prevailing party under this Award for purposes of awarding a
15 reasonable attorneys' fee.

16 SO ORDERED:

17 November 10, 2008

18 
19 Hon. James L. Warren (Ret.)
20 Arbitrator

2008 AND BEYOND...

- Big payment to cover past royalties
- Then significant royalties for a few more years
- Then royalty stream tapers off to zero...
- Are there really no more Ms. Pac-Man products? Why?

ALL OVER!
Right?



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Warner

Namco I, Namco II, **Namco III**

Afterword

Q&A


AROUND 2015 OR SO...

KEVIN CURRAN
GETS A PHONE CALL


PK CONTACTS ME

June 2019

Most of this info became public in various lawsuits, so I'm not giving away secrets...

LinkedIn Steve Golson 

Hi Steve, My company makes Atari Flashback and other retro products. Would like to get in touch with you. -PK

 **Ping-Kang Hsiung**
CEO at AtGames Holdings
Greater Los Angeles Area

[View profile](#) [Accept](#)

PK CONTACTS ME

June 2019

Hi Steve,

Thank you for accepting my invite to connect. ...

I am contacting to explore licensing Ms. Pac-Man directly from IP owner(s). ...

We have been in discussion with Bandai Namco for a few years Ms. Pac-Man licensing and the significant revenue opportunities. ...

I would love to know your initial thought. We are LA-based and I would be happy to hop on a call to introduce ourselves followed by a face-to-face meeting I come to you.

Warm regards,

-PK

WHO IS THIS GUY?

July 2019

Hi Doug & Kevin,

I recently got an email query from P K Hsiung from AtGames

He's interested in licensing Ms. Pac-Man for their products. At first I thought maybe he's a flake, but the more I hear from him, he seems like the real deal. And his comments about Bandai Namco are... interesting...

I'll forward you the email chain. Right now he plans to be in the Boston area the week of July 22 and wants to meet with me. I haven't mentioned to him that he really needs to talk to you two. I've been playing dumb until I learned more.

Let me know how you'd like to proceed. I'm happy to introduce you to him, and let you two handle it.

Stand by for interesting emails.

-Steve

LUNCH

July 22, 2019

- PK Hsiung, AtGames
- Kevin Curran
- Steve Golson

DOUG IS SKEPTICAL

July 24, 2019

Attached is a spreadsheet which lays out the numbers that I was using on the phone.

Take a look at it and tell me where I am wrong. It assume 4M units, half at \$20 retail, half at \$40 retail. It assume 8% of wholesale is paid as a royalty to Namco. I think that this would only apply if the 4M units are Ms. Pac-Man only. If he is looking to bundle, there is no way he will pay 8% for Ms. Pac-man.

In any case, it nets us \$1M

So I will go back to:

- 1) PK is overpaying because of externalities (e.g. female market, his favorite game, STEM teaching)
- 2) Namco is overpaying because of externalities (e.g. they have overhyped the 40th anniversary internally, they hate the idea that they don't own it)

NEGOTIATIONS

Kevin does an awesome job

- PK makes an offer for all GCC royalty interest in Ms. Pac-Man
- Namco makes a big offer
- PK makes a *really* big offer
- Deal! GCC royalty stream sold to AtGames

AtGames® Acquires Ms. PAC-MAN-related Rights

NEWS PROVIDED BY

AtGames Cloud Holdings Ltd. →

Sep 26, 2019, 08:00 ET

LOS ANGELES, Sept. 26, 2019 /PRNewswire/ - AtGames® Cloud Holdings Ltd., a leader in interactive entertainment products, today announced that it has acquired all the rights of General Computer Corporation (GCC) with respect to Ms. PAC-MAN under agreements between GCC and Bandai Namco.

In 1981, GCC developed certain source code, characters, music, game play and cartoons expressed in various media including but not limited to read-only memory (ROM) used in running the Ms. PAC-MAN and PAC-BABY (sold as JR. PAC-MAN) games. In 1983, GCC entered into an agreement with the predecessor of Bandai Namco with regard to Ms. PAC-MAN, which was later amended in 2008 in an agreement between Bandai Namco and the former shareholders of GCC, who had become the successors-in-interest to GCC after its dissolution.

"As part of our ongoing initiative to be caretakers of important cultural touchstones, we are privileged to gain these valuable rights pertaining to the iconic Ms. PAC-MAN arcade game," says Dr. Ping-Kang Hsiung, CEO of AtGames.

About AtGames:

AtGames Cloud Holdings Ltd. (<http://www.atgames.net>) is a leader in innovative consumer-oriented interactive entertainment products. The company leverages the latest technology to develop and publish its best-selling classic video game products for worldwide distribution.

SOURCE AtGames Cloud Holdings Ltd.

ATGAMES
PRESS RELEASE
September 26, 2019

ALL OVER!
Right?



LAWYERS, GAMES AND MONEY

A brief history of General Computer Corp. (GCC) 1981–1984

Getting started

Atari

Midway

Warner

Namco I, Namco II, Namco III

Afterword

Q&A

NAMCO IS UPSET WITH GCC
WE EXPECT LITIGATION...

BNEA vs. ATGAMES

September 20, 2019

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11 *Attorneys for Plaintiff*
BANDAI NAMCO Entertainment America Inc.

12
13 **UNITED STATES DISTRICT COURT**
14 **NORTHERN DISTRICT OF CALIFORNIA**
15 **SAN JOSE DIVISION**

16
17 **BANDAI NAMCO ENTERTAINMENT
AMERICA INC.,**

18 **Plaintiff,**

19 **vs.**

20 **ATGAMES HOLDINGS, LTD.; and DOES 1
through 50,**

21 **Defendants.**

Case No.:

COMPLAINT FOR:

1. **Trademark Infringement under the Lanham Act (15 U.S.C. § 1114(1)(a));**
2. **Counterfeiting under the Lanham Act (15 U.S.C. § 1114(1)(a) and § 1116(d));**
3. **Copyright Infringement under the Copyright Act (17 U.S.C. § 501(a));**
4. **Unfair Competition and False Designation of Origin under the Lanham Act (15 U.S.C. § 1125(a)(1)(A));**
5. **False Advertising under the Lanham Act (15 U.S.C. § 1125(a)(1)(B));**
6. **California Unfair Competition (Cal. Bus. & Prof. Code §§ 17200 *et seq.*);**

BNEA vs. ATGAMES

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9 24. In August 2018, BANDAI NAMCO and the successors in interest to GCC (Kevin
10 Curran, Douglas B. Macrae, Gerald D. Hosier and John Tylko, Jr., collectively, the “GCC
11 **Successors**”) began negotiating an arrangement to finally resolve their relationship created under
12 the 1983 Agreement and subsequent agreement entered into in or around 2008 (collectively, the
13 “GCC Agreements”) with respect to Ms. PAC-MAN.

14 25. Over the course of a year, until late August 2019, BANDAI NAMCO and the
15 GCC Successors continued to engage in active discussions relating to the GCC Agreements and
16 Ms. PAC-MAN. In late August 2019, the relevant parties were close to reaching an agreement as
17 to terms and a formal written agreement was circulated and signed by most if not all of the GCC
18 Successors.

19 26. As a result of AtGames’ conduct (as set forth *infra*), the negotiated agreement
20 between BANDAI NAMCO and the GCC Successors to fully and finally resolve the issues
21 addressed in the GCC Agreements, and the terms the parties had already agreed to, was not
22 consummated.

ALL OVER!
Right?



KEVIN CURRAN



DOUG MACRAE



JOHN TYLKO



JERRY HOSIER



STEVE GOLSON



ROBERT E. KEETON

Lotus Dev. Corp. v. Paperback Software Int'l,
740 F. Supp. 37 (D. Mass. 1990)

Lotus Dev. Corp. v. Borland Int'l, Inc.,
516 U.S. 233 (1996)



MANY THANKS TO

Kevin Curran

Scott Macrae

Doug Macrae

Chris Rode

Jerry Hosier

Terry Golson

Mike Horowitz

Warren Zevon

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